

# Indiana Department of Homeland Security

## Exercise Guidance FY 06



## **Executive Summary**

The Indiana Department of Homeland Security has developed this Exercise Guidance to provide the citizens of Indiana with an economical and sensible approach to the conduct of exercises that are funded and supported by the Indiana Department of Homeland Security.

The Indiana Department of Homeland Security receives federal grants to use for exercise training. It is the obligation of the Indiana Department of Homeland Security to ensure that all jurisdictions receiving exercise funding use these funds for the design, development and conduct of exercises throughout the state in compliance with federal and state requirements.

The purpose of exercise training is to validate our plans, policies and procedures and the capabilities of the participating entities. In addition, it assists IDHS in identifying additional needs at both the State and local level for training of emergency response personnel. Exercise training can provide valuable lessons learned and best practices that will aid IDHS and local jurisdictions in future planning and training, as well as lessons learned in the design and development of future exercises.

The Indiana Department of Homeland Security has adopted the U.S. Department of Homeland Security Homeland Security Exercise and Evaluation Program (HSEEP). This Exercise Guidance references and incorporates the requirements of HSEEP. The HSEEP and this Exercise Guidance can be a beneficial tool for the development and conduct of exercises. For further information on HSEEP, please visit: <http://www.hseep.dhs.gov/>



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## A. Exercise Guidance

1. This Guidance applies to those jurisdictions or agencies that receive grant funding from the Indiana Department of Homeland Security (IDHS) to plan and conduct exercises.
2. All exercises designed and conducted with the financial support of the Indiana Department of Homeland Security are subject to the approval of the Executive Director of IDHS.
3. The use of exercise funding must comply with guidance set forth by the United States Department of Homeland Security and the Indiana Department of Homeland Security.
4. All exercises conducted with United State Department of Homeland Security federal Fiscal Year 2006 funds must be terrorism based (including CBRNE and Cyber) unless otherwise specified by IDHS.
5. To be able to provide funding for an exercise, a sub-grant agreement shall be entered into between the Indiana Department of Homeland Security and an identified fiscal/legal agent for the development and execution of the exercise.
6. Any costs incurred before the date that the sub-grant agreement is fully executed, including exercise planning costs, will not be reimbursed.
7. The sub-grant agreement providing funding for the exercise must be fully executed at least 30 days prior to the exercise or the exercise will be canceled or postponed.
8. When developing a schedule for an exercise, the time it takes to draft and fully execute the sub-grant agreement must be included in the schedule. After IDHS receives the sub-grant agreement back from the fiscal/legal agent, it will take 45-60 days for it to be fully executed. (See Section E. Minimum Planning Timeline and Appendix 1).
9. The fiscal/legal agent shall be responsible for the acceptance and disbursement of all funds related to the design, planning, conduct, after action reporting and improvement planning for the exercises.
10. If the exercise design, planning, conduct, after action or improvement process does not comply with the “Homeland Security Exercise and Evaluation Program” (HSEEP), costs incurred for the exercise will not be reimbursed.
11. All requests for direct funding support from the Indiana Department of Homeland Security must be followed by an “Exercise Proposal” detailing the planned exercise. This proposal shall include a draft of the exercise plans, goals, and objectives. In addition, the proposal shall include a draft detailed estimated budget for the exercise. Typically, a Concept and Objectives meeting and/or an Initial Planning Conference will help to develop this baseline for the Proposal. (If a sub-grant agreement is already in place, a proposal for **each** exercise planned **must** still be submitted to the Indiana Department of Homeland Security prior to incurring any costs related to the conduct of the exercise, otherwise the costs incurred for the conduct of the exercise will not be reimbursed).



12. It is strongly recommended that exercise activities include partnerships with local health officials, hospitals, mental health officials and other pertinent entities with roles in responding to and recovering from a disaster.
13. Exercises may be discussion-based including Seminars, Workshops, Tabletops and Games or exercises may be operations-based including Drills, Functional or Full Scale. Exercises must comply with HSEEP.
14. The exercise funding provided may be used to conduct one large exercise or a series and combination of exercises. The Indiana Department of Homeland Security recommends a building block approach as defined by HSEEP.
15. All exercises must be scheduled/reported on the U.S. DHS National Exercise Schedule, to include all required information as listed on the NEXS. The NEXS can be located at: <https://hseep.dhs.gov/>.
16. All exercise activities must be conducted at the Indiana Department of Homeland Security District level unless otherwise directed and approved by IDHS.
17. Copies of all exercise documentation must be submitted to the Exercise Section of the Indiana Department of Homeland Security. This includes minutes from all planning meetings, detailed exercise budget, invoices for expenditures, receipts, After Action Reports (AAR), Improvement Plan (IP), exercise participant rosters, overtime documentation, backfill documentation and any and all other documentation related to or part of the complete exercise process. All these documents and materials shall be submitted within 45 days after the execution of the exercise. (electronic format is desired for reporting of all exercise documentation (MS Word, PDF, Excel). Email to: [kwoodall@dhs.in.gov](mailto:kwoodall@dhs.in.gov) ) If all documentation is not received within 45 days of exercise execution the Indiana Department of Homeland Security may withhold any and all funding for the exercise.



## **B. Exercise Proposal**

The following guidance applies to those jurisdictions or agencies that request direct funding support from the Indiana Department of Homeland Security for conducting exercise training.

1. The exercise planning team for the District may be required to give a formal presentation on the proposed exercise to the Executive Director of the Indiana Department of Homeland Security and/or other officials within the Indiana Department of Homeland Security.
2. The exercise proposal shall be submitted to the Indiana Department of Homeland Security Exercise Training Section for review. The proposal should be submitted in an electronic format to. [kwoodall@dhs.in.gov](mailto:kwoodall@dhs.in.gov)
3. The exercise proposal shall include an estimated detailed budget worksheet that includes the expenses that will be incurred in the design, planning, and conduct of the exercise and After Action/Improvement items.
4. A justification for the expenses shall be included with the detailed budget worksheet to ensure that the expenses comply with this Exercise Guidance and the United States Department of Homeland Security exercise and grant guidance documents.
5. The exercise proposal shall include points of contact for the requesting jurisdiction or agency.
6. The exercise proposal shall demonstrate that the exercise was planned and designed in accordance with the HSEEP.
7. The exercise proposal shall include the following (for tabletops, games, drills, functional exercises, and full scale exercises):
  - a. Goals
  - b. Needs/Capability Assessment
  - c. Scope
  - d. Statement of Purpose
  - e. Objectives
  - f. Narrative (Scenario)
  - g. Major Events
  - h. Draft "Detailed Estimated Budget"
  - i. Any other relevant information as requested by IDHS
8. If a sub-grant agreement is not already in place, this information will be used to develop the sub-grant agreement. When developing a schedule for an exercise, the time it takes to fully execute the sub-grant agreement must be included in the schedule. After IDHS receives the sub-grant agreement back from the fiscal/legal agent, it will take 45-60 days for it to be fully executed. (See Section E. Minimum Planning Timeline and Appendix 1).



9. Seminar/Workshop: A proposal must be submitted to IDHS and a sub-grant agreement must be generated if a sub-grant agreement does not exist. The deliverables for these exercise activities will include:
  - a. Detailed budget for the conduct of a Seminar or Workshop
  - b. Agenda(s)
  - c. Rosters of participant attendance
  - d. Any and all documents generated during the conduct of a Seminar or Workshop (i.e., SOP's, EOP's)
  - e. Any Power Point presentations
  - f. All information reported to the National Exercise Schedule (NEXS).



### C. Exercise Conduct

The process of exercising is well established in operational documents and courses. For exercises to be effective, they must be conducted with a frequency that the jurisdiction can support. The State of Indiana subscribes to the Standard Operating Procedures that you must learn to “crawl before you walk, and walk before you run.” Thus, the types of exercises should progress from Seminars, Workshops, Tabletops, Games, Drills, Functional exercises through Full-scale. This is particularly useful in the arena of terrorism-based exercises because of their uniqueness and potential for increased complexity.

Acts of terrorism or disasters will result in a multi-jurisdictional response. Therefore, it is recommended that the jurisdiction’s Emergency Operations Center be an element in all exercises and activated in functional and full-scale exercises. The phrase fully activated means the majority of the Emergency Operations Center members are involved and the site’s equipment is physically used. Players will respond to simulated events in the field or will actively work with Players in the field to manage the scenario. This activation will need to be accomplished during either a functional or full-scale exercise. A tabletop exercise will not fulfill this requirement because tabletop exercises do not physically use equipment during the exercise. For those jurisdictions that have alternative Emergency Operations Centers, they should test or activate the alternative Emergency Operations Centers during an exercise to determine their functionality.





## D. Exercise Types

Utility/Purpose		Type of Player Action	Duration	Real-Time Play?	Scope
Discussion-Based Exercises	Familiarize players with current plans, policies, agreements, and procedures; develop new plans, policies, agreements, and procedures	Notional; player actions are imaginary or hypothetical	Rarely exceeding 8 hours	No	Varies
Seminar	Provide overview of new or current plans, resources, strategies, concepts or ideas	N/A	2-5 hours	No	Multi- or Single-agency
Workshop	Achieve specific goal or build product (e.g., exercise objectives, SOPs, policies, plans)	N/A	3-8 hours	No	Multi-agency/ Single function
Tabletop Exercise (TTX)	Assist senior officials in the ability to understand and assess plans, policies, procedures, and concepts	Notional	4-8 hours	No	Multi-agency/ Multiple functions
Game	Explore decision-making process and examine consequences of those decisions	Notional	2-5 hours	No (though some simulations provide real- or near-real-time play)	Multi-agency/ Multiple functions
Operations-Based Exercises	Test and validate plans, policies, agreements, and procedures; clarify roles and responsibilities; identify resource gaps	Actual; player action mimics reaction, response, mobilization, and commitment of personnel and resources	May be hours, days, or weeks, depending on purpose, type, and scope of the exercise	Yes	Varies
Drill	Test a single operation or function of an agency	Actual	2-4 hours	Yes	Single agency/ Single function
Functional Exercise (FE)	Test and evaluate capabilities, functions, plans, and staffs of Incident Command, Unified Command, intelligence centers, or other command/operations centers	Command staff actions are actual; movement of other personnel, equipment, or adversaries is simulated	4-8 hours or several days or weeks	Yes	Multiple functional areas/ Multiple functions
Full-Scale Exercise (FSE)	Implement and analyze plans, policies, procedures, and cooperative agreements developed in previous exercises	Actual	One full day or several days or weeks	Yes	Multi-agency/ Multiple functions



## 1. Discussion-based Exercises

Discussion-based exercises are normally used as a starting point in the building-block approach of escalating exercise complexity. Discussion-based exercises include seminars, workshops, tabletop exercises (TTX's), and games. These types of exercises typically highlight existing plans, policies, interagency/interjurisdictional agreements, and procedures. Discussion-based exercises are valuable tools for familiarizing agencies and personnel with current or expected jurisdictional/organizational capabilities. Discussion-based exercises typically focus on strategic, policy-oriented issues. Facilitators and/or presenters usually lead the discussion, keeping participants on track toward meeting exercise objectives.

### a. Seminars

Seminars are informal discussions, unconstrained by real-time portrayal of events and led by a seminar leader. They are generally employed to orient participants to, or provide an overview of, authorities, strategies, plans, policies, procedures, protocols, response resources, and/or concepts and ideas. Seminars provide a good starting point for jurisdictions/organizations that are developing or making major changes to their plans and procedures.

### b. Workshops

- i. After seminars, workshops represent the second tier of exercises in the HSEEP building-block approach. They differ from seminars in two important respects: participant interaction is increased, and the focus is on achieving or building a product (such as a draft plan or policy). Some workshops are employed in conjunction with exercise development to determine objectives, develop scenarios, and define evaluation criteria.
- ii. A workshop may also be used to produce new standard operating procedures (SOPs), emergency operations plans (EOP's), MAAs, multi-year plans, or improvement plans. To be effective, workshops must be highly focused on a specific issue, and the desired outcome or goal must be clearly defined. A district Training & Exercise Planning Workshop can also be funded with exercise grant funds.

### c. Tabletop Exercises (TTX)

- i. Tabletop Exercises (TTXs) involve key personnel discussing simulated scenarios in an informal setting. This type of exercise is used to assess plans, policies, and procedures or to assess the systems needed to guide the prevention of, response to, and recovery from a defined incident. TTXs typically are aimed at facilitating understanding of concepts, identifying strengths and shortfalls, and achieving changes in attitude. Participants are encouraged to discuss issues in depth and develop decisions through slow-paced problem solving, rather than the rapid, spontaneous decision making that occurs under actual or simulated emergency conditions. The effectiveness of a TTX is derived from the energetic involvement of participants and their assessment of recommended revisions to current policies, procedures, and plans.



- ii. TTX methods are divided into two categories: basic and advanced. In a basic TTX, the scene set by the scenario materials remains constant. It describes an event or emergency incident (i.e., scenario) and brings discussion participants up to the simulated present time. Players apply their knowledge and skills to a list of problems presented by the leader/moderator; problems are discussed as a group; and resolution is generally agreed on and summarized by the leader.
- iii. In an advanced TTX, play revolves around delivery of pre-scripted messages to players that alter the original scenario. The exercise controller (or moderator) usually introduces problems one at a time in the form of a written message, simulated telephone call, videotape, or other means. Participants discuss the issues raised by the simulated problem, applying appropriate plans and procedures.
- iv. TTX's are effective for evaluating group problem solving, personnel contingencies, group message interpretation, information sharing, interagency coordination, and achievement of specific objectives, among other issues.

d. Games

- i. A game is a simulation of operations that often involves two or more teams, usually in a competitive environment, using rules, data, and procedures designed to depict an actual or assumed real-life situation. A game does not require use of actual resources, and the sequence of events affects, and is in turn affected by, decisions made by players. The goal of a game is to explore decision-making processes and the consequences of those decisions.
- ii. With the evolving complexity and sophistication of current simulations, opportunities to provide enhanced realism for game participants have increased. Computer-generated scenarios and simulations can provide a more realistic and time-sensitive method of introducing situations for analysis. Planner decisions can be input into realistic models to show the effects of decisions made during a game. Internet-based, multi-player games offer many additional benefits, such as saving money by reducing travel and travel time, offering more frequent training opportunities, and taking less time away from primary functions. They also provide a collaborative environment that reflects realistic occurrences.

2. Operations-based Exercises

Operations-based exercises represent the next level of the exercise cycle. They are used to validate the plans, policies, agreements, and procedures solidified in discussion-based exercises. Operations-based exercises include drills, functional exercises (FEs), and full-scale exercises (FSEs). They can clarify roles and responsibilities, identify gaps in resources needed to implement plans and procedures, and improve individual and team performance. Operations-based exercises are characterized by actual reaction to simulated intelligence; response to emergency conditions; mobilization of apparatus, resources, and/or networks; and commitment of personnel, usually over an extended period of time.



a. Drills

A drill is a coordinated, supervised activity usually employed to test a single, specific operation or function in a single agency or organizational entity. Drills are commonly used to provide training on new equipment, develop or test new policies or procedures, or practice and maintain current skills.

b. Functional Exercises (FE)

- i. The functional exercise (FE), also known as a command post exercise (CPX), is designed to test and evaluate individual capabilities, multiple functions, activities within a function, or interdependent groups of functions. Events are projected through an exercise scenario with event updates that drive activity at the management level. An FE simulates the reality of operations in a functional area by presenting complex and realistic problems that require rapid and effective responses by trained personnel in a highly stressful environment.
- ii. Response and recovery-focused FE's are generally focused on exercising the plans, policies, procedures, and staffs of the direction and control nodes of Incident Command and Unified Command. Movement of personnel and equipment is simulated.
- iii. Prevention-focused FE's are usually focused on exercising the plans, policies, procedures, agreements, networks, and staffs of fusion centers or law enforcement agencies with counterterrorism missions. Adversary actions are largely simulated and delivered in the form of shared intelligence; however, some of these actions may be carried out by simulated adversaries, or Red Teams, in a separate but coordinated category of exercise play. See HSEEP Volume V: Terrorism Prevention Exercises for more information.

c. Full-Scale Exercise (FSE)

- i. The FSE is the most complex type of exercise. FSE's are multi-agency, multi-jurisdictional, multi-organizational exercises that test many facets of preparedness. They focus on implementing and analyzing the plans, policies, procedures, and cooperative agreements developed in discussion-based exercises and honed in previous, smaller, operations-based exercises. In FSE's, the reality of operations in multiple functional areas presents complex and realistic problems that require critical thinking, rapid problem-solving, and effective responses by trained personnel. During FSE's, events are projected through a scripted exercise scenario with built-in flexibility to allow updates to drive activity. FSE's are conducted in a real-time, stressful environment that closely mirrors real events. The level of support needed to conduct an FSE is greater than that needed during other types of exercises.
- ii. Response-focused FSE's include many first responders operating under the principles of the National Incident Management System (NIMS) to effectively and efficiently respond to an incident. First responders and resources are mobilized and deployed to the scene where they conduct their actions as if a real incident had occurred (with minor exceptions).





## E. Minimum Planning Timelines

### Discussion-Based Exercises

All time frames below are the **MINIMUM** recommended by HSEEP

Milestones	Fully Executed Sub Grant	Concepts & Objectives Meeting	Initial Planning Conference	Presentation to State w/Budget	State Approval	Mid-Term Planning Conference (if needed)	MSEL Conference	Final Planning Conference	Conduct Exercise	Draft AAR/IP	After-Action Conference	ARR/IP Final Draft
Months prior to Exercise Date	5	NA	3	2.5	2.5	2	NA	1.5	-1	-1.25	-2	

### Operations-Based Exercises

All time frames below are the **MINIMUM** recommended by HSEEP

Milestones	Fully Executed Sub Grant	Concepts & Objectives Meeting	Initial Planning Conference	Presentation to State w/Budget	State Approval	Mid-Term Planning Conference	MSEL Conference	Final Planning Conference	Conduct Exercise	Draft AAR/IP	After-Action Conference	ARR/IP Final Draft
Months prior to Exercise Date	8	7	6	5.5	5	4	3.5	1	-1	-1.25	-2	

### Exercise Planning Timelines

Exercise planning timelines establish target timeframes for attaining significant, exercise-related milestones, such as planning conferences, training, exercise conduct, after-action reporting, and improvement planning. These timelines should be consistent with the scheduling component of the entity's Multi-Year Training and Exercise Plan.

**Timelines will vary based on exercise scope and complexity.** For example, exercise planners generally employ longer timelines for tabletop exercises (TTXs) than for workshops and seminars, and even longer timelines for complex or multi-jurisdictional full-scale exercises (FSEs). Timelines also may vary based on the entity's experience in conducting exercises, available resources, and exercise planning team size. Examples of exercise planning timelines containing milestones are available in Appendix C: Exercise Planning Timelines and in HSEEP Volume IV. (Excerpt from USDHS HSEEP Vol I)



## **F. Allowable Exercise Expenditures**

Exercise grant funding can be used for the following types of expenditures (There are federal requirements that apply to procurement and contracting initiated using federal funds. Please refer to Section H-Other Important Information of this exercise guidance for a description of some of these federal requirements):

1. Except as otherwise specified, all costs related to planning, design, development, conduct and after action/improvement planning related to the exercise are allowable. The Concept and Objective Meeting, Initial Planning Conference, Midterm Planning Conference, Final Planning Conference, After Action Conference, and the Master Scenario Events List Conference are considered planning events. Costs incurred prior to the effective date of the sub-grant agreement (the date the sub-grant agreement has been fully executed) are not allowable.
2. For vehicle costs related to the planning or conduct of an exercise, mileage or fuel may be reimbursed, not both. If mileage is to be reimbursed, the mileage rate shall be based on the rate paid by the State of Indiana (\$0.40/mile). According to U.S. DHS, the only allowable vehicle cost that may be reimbursed is fuel or mileage (vehicle maintenance and/or wear and tear costs are NOT allowed).
3. All consumable materials needed for the planning process (i.e., paper, writing utensils, copy fees, manuals) are allowable.
4. All consumable materials needed for the conduct of the exercise, including identification badges, signs, rental items, restocking of items used or consumed during exercise play, light refreshments, working lunches, and meals for large exercises (over 4 hours in duration) are allowable. The allowability of many of these items will depend on the type and scope of the exercise and will be evaluated on a case-by-case basis by the Indiana Department of Homeland Security.
5. Consultants/Contractors may be hired to assist in the development, design, and conduct of the exercise (See other important information on page 21). The sub grantee shall be responsible for any agreements or contracts for the procurement of contractors/consultants to assist in the development/design of the exercise. The contractor/consultant expenses shall be part of the detailed estimated budget and the final detailed exercise budget.
6. Overtime expenses incurred by participating agencies with personnel involved in exercise activities over and above their normal scheduled work hours. Invoices must contain documentation showing the names of the employees involved, their normal pay and overtime rate, the fact that the employee is overtime eligible and a copy of the employer's overtime policy. (see G. Exercise Reimbursement)
  - a. This may include part time or half time employees who work over and above their normal scheduled work hours or work week.
  - b. Fringe benefits are not an allowable expense.



7. Backfill (Also called overtime as backfill) incurred by personnel who are working over and above their normal schedule work hours, or work week, in order to perform the duties of those temporarily assigned to participate in approved exercise activities outside their core responsibilities.
  - a. This may include part time or half time employees who work over and above their normal scheduled work hours or workweek.
  - b. Fringe benefits are not allowable.
8. Paid-For-Call/Paid-On-Call personnel. If a department relies upon paid-for-call/paid-on-call or paid-by-call personnel, and opts to include them in the approved homeland security exercise, grant funds may be used to pay for their participation in accordance with their departments established payroll policy, to include both hourly and flat rate costs. Fringe benefits are not allowable.
9. Grant funds for participation in approved homeland security exercises may only supplement and must not supplant existing budgets of a jurisdiction/department/agency/organization.
10. Volunteers.
  - a. Certain volunteers may receive a stipend when participating in an exercise funded by the National Preparedness Directorate (NPD) Homeland Security Grant Program (HSGP). For the purpose of this stipend, a volunteer is defined as an individual who is a member of an emergency response organization and are completely unpaid and no legal agreement exists to support pay for training and exercise activities. This does include volunteer firefighters as defined under IC 36-8-12-2. This does not include volunteers from organizations such as the American Red Cross or Community Emergency Response Teams (CERT).
  - b. Stipend –The stipend for volunteers is \$15.00 per hour for each hour the volunteer is deployed to the exercise that includes the time actually at the training venue. This stipend includes any time spent in planning for the exercise including attendance at planning conferences and meetings in accordance to HSEEP guidelines.
  - c. If a district determines that they want to provide this stipend to eligible volunteers, the stipends shall be included in the organization’s budget and will be distributed by the district fiscal/legal agent to the organization.
  - d. In no case will a volunteer receive dual funding from his/her full/part-time paid job and from National Preparedness Directorate (NPD) Homeland Security Grant Program (HSGP) funding for participation in the same approved Homeland Security training and/or exercise activity”. An employee is eligible for the stipend if the exercise is outside his or her normal work hours. An employee is not eligible for the stipend if the exercise occurs during his or her vacation or sick leave. It is the responsibility of the approving authority to record all volunteer hours for which stipends are requested and to provide a written report to IDHS as part of final budget documentation.



11. Management and Administrative Costs (M&A). Up to 3% of the amount of grant funds awarded can be used to reimburse for M&A costs incurred by the recipient of the funds. M&A costs are direct costs that are incurred to administer a particular program/award. M&A costs are identifiable and unique to each program/award and are charged based on the activity performed for that particular project. M&A costs may include:
- a. Salaries of full-time or part-time staff or contractors/consultants to assist with the management of the program
  - b. Hiring of full-time or part-time staff or contractors/consultants to assist with the implementation and administration of the program
  - c. Travel expenses
  - d. Meeting-related expenses.
- All M&A expenditures must be documented to show that the costs are supplemental costs incurred by the fiscal/legal agent and do not supplant existing local funding.” For questions regarding eligible costs, please contact the exercise POC.
12. It is the responsibility of the fiscal/legal agent to ensure that all anticipated exercise expenditures are allowable. If there are any questions concerning allowable items, IDHS should be consulted prior to incurring the expense. Any costs incurred and later determined to be unallowable will not be reimbursed.
13. Equipment purchases are NOT allowed (i.e., radios, vehicles, furniture, computers, etc.).
14. As stated earlier, costs incurred prior to the effective date of the sub-grant agreement (the date the sub-grant agreement has been fully executed) are not allowable.





## G. Exercise Reimbursement

The following guidance applies to those jurisdictions or agencies that request direct funding support from the Indiana Department of Homeland Security for the purpose of planning and conducting exercise training. Funding for approved exercises shall be disbursed after all of the following conditions have been met:

1. A fully executed sub-grant agreement is in place between the Indiana Department of Homeland Security and the jurisdiction responsible for coordinating the exercise. Costs incurred prior to the date that the agreement is fully executed will **NOT** be reimbursed.
2. Completion of the exercise and the submission of an After Action Report and Improvement Plan to the Indiana Department of Homeland Security Exercise Training Section.
3. The Indiana Department of Homeland Security must have received the invoices/receipts for **all** expenses including fuel or mileage, overtime/backfill, volunteer reimbursement and any other costs associated with the exercise.
4. Reimbursement for fuel or mileage: All mileage or fuel reimbursement shall be documented by the planning team and included in the draft detailed estimated budget and the final detailed budget. Either mileage or fuel may be reimbursed for an exercise--not both.
  - a. Fuel: Copies of all fuel receipts showing fuel consumed during the planning and execution of the exercise are received by IDHS.
  - b. Mileage: Copies of all mileage logs indicating miles traveled during the planning and execution of the exercise are received by IDHS. (The reimbursement rate for mileage shall be based on the rate paid by the State of Indiana (\$0.40/mile))
5. An overtime reimbursement document must be completed by each agency requesting overtime/backfill/volunteer reimbursement for participation in exercise activities. All overtime/backfill/volunteer reimbursement submissions shall be completed, signed and submitted by the Chief Executive Officer of the submitting agency and must include:
  - a. The exercise participant's name.
  - b. Number of hours spent participating in the exercise.
  - c. Hourly rate of participant.
  - d. Total amount of stipend for volunteers (must include the name, number of hours and rate for each volunteer).
  - e. Copies of exercise attendance sheets must be included in this documentation verifying the participation.
  - f. An agency overtime policy must accompany the reimbursement request.
  - g. Any other documentation requested by IDHS
6. All required information as defined by the National Exercise Schedule has been entered onto the NEXS.
7. The submitting jurisdiction or agency shall compile a final detailed budget with the submission of invoices/receipts for the planning, design and conduct of the exercise.



8. All exercise activities must comply with the requirements of HSEEP, this Exercise Guidance and the Indiana Department of Homeland Security.
9. The Indiana Department of Homeland Security shall transfer funds to reimburse the requesting agency or jurisdiction for the approved amount after all documentation has been reviewed and approved by the Indiana Department of Homeland Security. It shall be the responsibility of the requesting agency or jurisdiction fiscal/legal agent to ensure that all parties eligible for reimbursement receive payment.
10. The reimbursement provided shall not exceed the amount of the signed sub-grant agreement.



## H. Other Important Information

Federal funds are being used as the funding source for these exercises. Therefore, there are federal requirements that are applicable to the use of these funds. The following are some of the federal requirements that are applicable to the types of expenditures made for an exercise (please consult the sub-grant agreement and/or contact the State for additional requirements):

### 1. Conflicts of Interest:

- a. To avoid conflicts of interest, personnel and other officials connected with federally funded programs shall adhere to the following requirements:
  - i. No official or employee of a State or unit of local government or a non-governmental recipient/sub recipient shall participate personally through decisions, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise in any proceeding, application, request for a ruling or other determination, contract, award, cooperative agreement, claim, controversy, or other particular matter in which award funds are used, where to his/her knowledge, he/she or his/her immediate family, partners, organization other than a public agency in which he/she is serving as an officer, director, trustee, partner, or employee, or any person or organization with whom he/she is negotiating or has any arrangement concerning prospective employment, has a financial interest, or has less than an arms-length transaction.
  - ii. In the use of agency project funds, officials or employees of State or local units of government and non-governmental recipient/sub recipients shall avoid any action that might result in, or create the appearance of: • Using his or her official position for private gain; • Giving preferential treatment to any person; • Losing complete independence or impartiality; • Making an official decision outside official channels; or • Affecting adversely the confidence of the public in the integrity of the government or the program. For example, where a recipient of federal funds makes sub-awards under any competitive process and an actual conflict or an appearance of a conflict of interest exists, the person for whom the actual or apparent conflict of interest exists should recuse himself or herself not only from reviewing the application for which the conflict exists, but also from the evaluation of all competing applications.
  - iii. Violations of the conflict of interest standards may result in criminal, civil, or administrative penalties.

### 2. Adequate Competition:

- a. All procurement transactions, whether negotiated or competitively bid and without regard to dollar value, shall be conducted in a manner so as to provide maximum open and free competition. However, should a grantee elect to award a contract without competition, sole source justification may be necessary. Justification must be provided for non-competitive procurement and should include a description of the program and what is being contracted for, an explanation of why it is necessary to contract noncompetitively, time constraints and any other pertinent information. **All sole-source procurements in excess of \$100,000 must receive PRIOR written approval of the Indiana Department of Homeland Security.**
- b. Non-competitive Practices – The grantee shall be alert to organizational conflicts of interest or non-competitive practices among contractors that may restrict or eliminate



competition or otherwise restrain trade. **Contractors that develop or draft specifications, requirements, statements of work, and/or Requests for Proposals (RFP) for a proposed procurement shall be excluded from bidding or submitting a proposal to compete for the award of such procurement.**

- c. Statement on All Publications - All publications created in whole or part with federal funds shall prominently contain the following statement:

This Document was prepared under a grant from the Office of grants and Training, U.S. Department of Homeland Security. Points of view or opinions expressed in this document are those of the authors and do not necessarily represent the official position or policies of the Office of grants and Training or the U.S. Department of Homeland Security.

- 3. Governing Federal Guidance Documents and Regulations - The grantee shall comply with the following requirements:
  - a. The current edition of the U.S. Department of Homeland Security Office of grant Operations Financial Management Guide. A copy of this Guide is available from: <http://www.dhs.gov/xopnbiz/grants/>.
  - b. OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations.
  - c. OMB Circular A-87, Cost Principles for State, Local and Indiana Tribal Governments.
  - d. All federal civil rights laws, to include Title VI of the Civil Rights Act, as amended. The grantee is required to take reasonable steps to ensure persons of limited English proficiency have meaningful access to language assistance services regarding the development of proposals and budgets and conducting activities funded using federal funds.
  - e. In addition to local, state and other applicable federal requirements pertaining to procurement and contracting, the grantee shall comply with the applicable federal requirements pertaining to procurement and contracting contained in 28 CFR 66.36.
  - f. For project using FY 2006 Homeland Security grant Funds, the applicable provisions in the U.S Department of Homeland Security program guidelines titled "Fiscal Year 2006 Homeland Security grant Program, Program Guidance and Application Kit". This guidance document can be obtained from the following web site: [http://www.ojp.usdoj.gov/odp/grants\\_programs.htm](http://www.ojp.usdoj.gov/odp/grants_programs.htm).



4. Required Contract Provisions – As required by 28 CFR 66.36(i), the grantee shall include the following provisions in a contract that uses federal funds:
- a. Pursuant to 28 CFR 66.36(i)(10), the Indiana Department of Homeland Security, the United State Department of Homeland Security, the unit of government contracting with the Contractor, and the Comptroller General of the United States, or any of their authorized representatives, shall have the right of access to any pertinent books, documents, papers, or other records of the Contractor which are directly pertinent to that specific contract, in order to make audits, examinations, excerpts, and transcriptions.
  - b. Pursuant to 28 CFR 66.36(i)(11), the Contractor must retain all such records for three years after grantees or sub grantees make final payments and all other pending matters are closed.
  - c. Pursuant to 28 CFR 66.34, 28 CFR 66.36(i)(9) and 45 CFR 92.36, if some or all of the funding for the Contract is a federal grant, the United State Department of Homeland Security reserves a royalty-free, nonexclusive, and irrevocable license to reproduce, publish or otherwise use, and to authorize others to use, for Federal Government purposes:
    - i. The copyright in any work developed under a grant, sub grant, or contract under a grant or sub grant; and
    - ii. Any rights of copyright to which a grantee, sub grantee or a contractor purchases ownership with grant support.
  - d. If a Contract is for more than \$10,000, the Contract must contain a provision allowing the local jurisdiction to terminate the contract for cause and for convenience by the local jurisdiction including the manner by which it will be effected and the basis for settlement.
  - e. If a Contract is for more than \$100,000, the Contract must contain administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate.
  - f. If a Contract is for more than \$100,000, the Contract must require compliance with all applicable standards, orders, or requirements issued under section 306 of the Clean Air Act (42 U.S.C. 1857(h)), section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and Environmental Protection Agency regulations (40 CFR part 15).
  - g. Lobbying Certification
    - i. The Contractor acknowledges that a Federal grant is the source of payments under this Contract and as required by Section 1352, Title 31 of the U.S. Code, and implemented at 44 CFR Part 18, the Contractor certifies that:
      1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the Contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement;
      2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal grant or



- cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions;
3. The Contractor shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including sub grants, contracts under grants and cooperative agreements, and subcontracts) and that all sub recipients shall certify and disclose accordingly.
  - ii. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.



## APPENDIX 1

### SUB-GRANT AGREEMENT SIGNATURE PROCESS

**Expenses incurred prior to the date the sub-grant agreement has been fully signed will not be reimbursed.**

Task	Time
Sub-grant Agreement sent to Sub-grantee for Signature and sent back to IDHS Grants Management Branch (GMB)	Time dependent on Sub-grantee
GMB delivers Agreement to IDHS Legal	Approximately 5 days
Legal creates Executive Document Summary, Conducts tax clearance checks*, conducts legal review, obtains fiscal approval and returns to GMB for IDHS signature	Approximately 5 days
GMB secures IDHS signature and returns to Legal	Approximately 3 days
Legal submits Agreement to the Indiana Department of Administration (IDOA) for review and approval	Approximately 1 day
IDOA approves Agreement and submits to the State Budget Agency (SBA) for review and approval	Approximately 5 days
SBA approves the Agreement and submits to the Office of the Attorney General (AG) for review and approval	Approximately 7 days
AG approves the Agreements and submits to IDOA for scanning into electronic format	Up to 45 days
IDOA scans and delivers to IDHS Legal	Approximately 3 days
Legal makes copy of Agreement for GMB	Approximately 3 days
GMB distributes to Sub-grantee	Approximately 3 day
*Tax Clearance: IDHS must verify that the Sub-grantee does not owe the State of Indiana any monies based on the records of the Department of Workforce Development (DWD) and the Indiana Department of Revenue (DOR). Failure to obtain clearance by either DWD or DOR will result in GMB being notified of the problem (GMB will notify the Sub-grantee) and the Agreement being held until the Sub-grantee has resolved the issue with either DWD or DOR.	



## APPENDIX 2

### INDIANA GRANT MANAGEMENT SYSTEM (IGMS) BUDGET AMENDMENT INSTRUCTIONS

Initial exercise budgets are submitted by IDHS staff and used as the basis for the sub-grant agreement. Sub-grantees are encouraged to update the provided exercise budget to reflect true project costs as they are identified. To amend the exercise budget in the iGMS, please do the following:

1. Log into the Indiana Grants Management System (iGMS) at <https://oas.in.gov/hs> and use the login/password combination given by IDHS.
2. Upon successful login, click the “2006” link.
3. In the “Grant Applications” section, go to the 2006 allocation by clicking “CountyName – 2006 SHSP”
4. Scroll to the bottom of the approved budget and click “Amend Application”. This will activate the budget amendment process.
5. Under “Budget Detail Item” click on the “edit items” button. Click on the “create new item” button. Should the drop down menus include more than one item, you should choose the item that most closely identifies your specific budget line item. The narrative section of the budget item may be used to more fully describe activity.

Within this mode, add, edit, or delete items to recreate the budget to reflect the true project expenditures. Once all items have been edited to satisfaction, do the following:

1. Click “Exit Amend Mode”
2. Review the budget and if satisfied, click “Submit Budget Detail” and confirm submission when prompted. This will notify both IDHS and the designated POC of the submitted budget.

Once submitted, the budget will be reviewed by IDHS staff and either approved or denied. *DO NOT PROCEED WITH ANY PROCUREMENT UNTIL THE BUDGET IS APPROVED OR THE ITEM MAY BE DENIED.*

